

Testimony of Sean Bradbury Legislative Program Manager Connecticut State Colleges & Universities To the Government Administration and Elections Committee March 18, 2016

SB 439: AN ACT CONCERNING THE STATE CONTRACTING STANDARDS BOARD AND REQUIREMENTS FOR PRIVATIZATION CONTRACTS

Senator Cassano, Representative Jutila, Senator McLachlan, Representative Smith, and members of the Government Administration and Elections Committee, thank you for the opportunity to provide written testimony on behalf of the Connecticut State Colleges and Universities system in opposition to Senate Bill SB 439: AN ACT CONCERNING THE STATE CONTRACTING STANDARDS BOARD AND REQUIREMENTS FOR PRIVATIZATION CONTRACTS.

The CSCU system stands in strong opposition to this bill which will significantly increase the cost of contracting, hinder efficiency, and add new reporting requirements with no added value for our system and our students. The bill stands in stark contrast to long standing and very necessary policies which have allowed for all of the constituent units of higher education to exercise contracting flexibility. This has enabled our institutions to remain affordable for our students and cost effective for taxpayers, and enables our institutions to respond quickly to rapidly changing trends in higher education particularly around technology. This flexibility is crucial to providing quality instruction and support services to our students.

A particularly worrisome provision in this bill is the change in definition of a "Privatization Contract" to include **any** procurement contract for services with a cost exceeding fifty thousand dollars per year. Additionally, it would require the CSCU system to retroactively review all contracts over fifty thousand dollars dating back to 2009, to determine if cost effectiveness evaluations are required and if so perform the cost effectiveness evaluation. Since 2009 the CSCU system has executed thousands of contracts over fifty thousand dollars, many of those contracts are no longer active. This would be a monumental and costly task for us to carry out.

The proposals in SB 439 would drastically slow contracting processes by increasing posting and review times, slowing the process by at least six weeks and up to several months depending on the contract. These delays will result in increased costs of contracting. CSCU estimates that the

cost of the proposed delays will increase costs by a minimum of 5 per cent annually for our construction projects, alone.

Additionally the bill requires that the CSCU system discard their DAS/OPM approved contracting guidelines and require that the constituent units adhere to the Contracting Standards Board statutes, when we already are in compliance with contracting statutes passed by the General Assembly to address the unique needs of the constituent units. This also requires that each unit of higher education propose regulations. This is in conflict with the authority of the constituent units, and is duplicative and costly.

We are worried that the proposals in SB 439 would force costly inefficiencies, and delays on the CSCU system, with no value added to our institutions, our students, or the taxpayers who support us. These would not be prudent policies in normal fiscal circumstances, but are particularly trouble given the budget and staff reductions our system is facing this year.

We thank the Committee for the opportunity to submit testimony today.